

(d) With respect to an acquisition authorized by the certificate, applicant must file with the Commission, before October 31, 1989, in writing and under oath, an original and four conformed copies and thereafter as prescribed in §385.2011 of this chapter the following:

(1) Each 3 months after the issue date of the Commission's order issuing this certificate, a progress report showing the exact status of the acquisition; (2) within 10 days after acquisition and the beginning of authorized operations, notice of the dates of acquisition and the beginning of operations; and (3) within 6 months after consummation of the acquisition, a statement showing and explaining the cause for any differences between the actual cost of the facilities acquired and the estimates of cost relied upon by applicant in the proceeding in which the certificate is issued.

(e) The certificate issued to applicant is not transferable in any manner and shall be effective only so long as applicant continues the operations authorized by the order issuing such certificate and in accordance with the provisions of the Natural Gas Act, as well as applicable rules, regulations, and orders of the Commission.

(f) The certificate herein issued shall be without force and effect unless the fees prescribed by §159.2(b) and §159.2(d), if any, of the Regulations Under the Natural Gas Act have been paid in accordance with the requirements thereof.

(g) In the interest of safety and reliability of service, facilities authorized by the certificate shall not be operated at pressures exceeding the maximum operating pressure set forth in Exhibit G-II to the application as it may be amended prior to issuance of the certificate. In the event the applicant thereafter wishes to change such maximum operating pressure it shall file an appropriate petition for amendment of the certificate. Such petition shall include the reasons for the proposed change. Nothing contained herein authorizes a natural gas company to operate any facility at a pressure above the maximum prescribed by state law, if such law requires a lower pressure than authorized hereby.

(Sec. 20, 52 Stat. 832; 15 U.S.C. 717s)

[17 FR 7389, Aug. 14, 1952, as amended by Order 280, 29 FR 4879, Apr. 7, 1964; Order 317, 31 FR 432, Jan. 13, 1966; Order 324, 31 FR 9348, July 8, 1966; Order 493, 53 FR 15030, Apr. 27, 1988; Order 493-B, 53 FR 49653, Dec. 9, 1988]

§ 157.21 Abandonment of purchases.

(a) Except as provided in paragraph (c) of this section, a purchaser subject to the Commission's jurisdiction under the Natural Gas Act is authorized, upon 30-days written notice to (or from) the seller, or any longer notice period required by contract, to abandon purchases of natural gas from any first seller or pipeline:

(1) Permanently, under a contract that has expired, or

(2) To the extent that the obligation of the purchaser to take or pay for gas (or both), or of the seller to deliver gas, is unilaterally reduced, suspended or terminated by either party in accordance with a provision of an unexpired contract.

(b) A purchaser subject to the Commission's jurisdiction under the Natural Gas Act is authorized to abandon purchases of gas from any first seller or pipeline:

(1) Permanently, by agreement of the parties to such abandonment, or

(2) To the extent that the obligation of the purchaser to take or pay for gas (or both) is reduced, suspended or terminated by agreement of the parties.

(c) A purchaser that is an interstate pipeline may not unilaterally abandon purchases of gas under paragraph (a) of this section unless it has a blanket certificate of public convenience and necessity authorizing transportation of natural gas under §284.221 of this chapter.

(d) A purchaser that permanently abandons purchases of gas under this section must file in the manner prescribed in §385.2011 of this chapter a report with the Commission within 30 days of the date that purchases are terminated providing the following information:

(1) The name of the former seller;

(2) A description of the certificate authority under which the former seller sold the abandoned gas;

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(3) A description of the contractual authority under which the purchases were terminated; and

(4) If the abandonment is partial, a description of the acreage from which purchases were terminated and acreage from which purchases continue.

(e) For purposes of this section, the term “first seller” means any seller that engages in a sale of natural gas that is a “first sale” under section 2(21) of the Natural Gas Policy Act of 1978.

[Order 490, 53 FR 4133, Feb. 12, 1988, as amended by Order 493, 53 FR 15030, Apr. 27, 1988; Order 490-A, 53 FR 29009, Aug. 2, 1988]

Subparts B–C [Reserved]

Subpart D—Exemption of Natural Gas Service for Drilling, Testing, or Purging from Certificate Requirements

AUTHORITY: Natural Gas Act, as amended, 15 U.S.C. 717 *et. seq.*, Energy Supply and Environmental Coordination Act, 15 U.S.C. 791 *et. seq.*, Federal Energy Administration Act, 15 U.S.C. 761 *et. seq.*, Natural Gas Policy Act of 1978, Pub. L. 95–621, 92 Stat. 3350, Department of Energy Organization Act, Pub. L. 95–91, E.O. 12009, 42 FR 46267.

§ 157.53 Testing.

(a) Construction and operation of facilities necessary to render direct natural gas service for use in the testing and purging of new natural gas pipeline facilities are exempted from the certificate requirements of section 7(c) of the Natural Gas Act, when the construction and operation of such facilities are conducted in accordance with paragraph (b) of this section.

(b) Operations undertaken to render direct natural gas service shall be terminated upon the completion of the purging or testing of the pipeline facilities. Persons undertaking any construction or operation of facilities or service under this section shall file an original and two copies of an annual statement, by February 1 of each year, describing their activities hereunder.

[43 FR 56544, Dec. 1, 1978, as amended at 60 FR 53065, Oct. 11, 1995]

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Subpart E—Optional Certificate and Abandonment Procedures for Applications for New Service Under Section 7 of the Natural Gas Act

SOURCE: Order 436, 50 FR 42488, Oct. 18, 1985, unless otherwise noted.

§ 157.100 General.

This subpart establishes optional procedures whereby any eligible applicant may obtain, for the purpose of providing new service, a certificate authorizing the following activities subject to the Commission's jurisdiction:

- (a) The transportation of natural gas;
- (b) Sales of natural gas;
- (c) The construction and operation of natural gas facilities;
- (d) The acquisition and operation of natural gas facilities; and
- (e) Conditional pre-granted abandonment of such activities and facilities upon termination of its contractual obligations to provide the services.

§ 157.101 Definitions.

(a) *Statutory terms.* Any term defined under the Natural Gas Policy Act of 1978 (NGPA) means the same under this subpart as under the NGPA.

(b) *Subpart E definitions.* For purposes of this subpart:

(1) *Eligible applicant* means any natural gas company or person that will be a natural gas company upon completion of any proposed construction or extension of natural gas facilities.

(2) *New service* means a service for which the applicant for a certificate under this subpart does not have certificate authority. If a contract for service provided under a certificate issued pursuant to this subpart or subpart A of this part is renegotiated to provide for an increase in existing service or an additional kind of service, only the additional increment of service or the different service qualifies as “new service.”

(3) *Qualifying facility* means a facility or a portion of a facility that will be used solely to provide new service.